



## THE PRICE FREEZE REGULATIONS 1984, AMENDMENT NO. 1

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DAVID BEATTIE, Governor-General

### ORDER IN COUNCIL

At the Government Buildings at Wellington this 6th day of August 1984

Present:

THE HON. G. W. R. PALMER PRESIDING IN COUNCIL

PURSUANT to the Economic Stabilisation Act 1948, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

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#### ANALYSIS

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#### REGULATIONS

**1. Title**—These regulations may be cited as the Price Freeze Regulations 1984, Amendment No. 1, and shall be read together with and deemed part of the Price Freeze Regulations 1984\* (hereinafter referred to as the principal regulations).

**2. Commencement and expiry**—(1) These regulations shall come into force on the 7th day of August 1984.

(2) These regulations shall continue in force until the close of the 18th day of October 1984, and shall then expire.

**3. Interpretation**—Regulation 3 (1) of the principal regulations is hereby amended by revoking the definition of the term “component item”, and substituting the following definition:

“‘Component item’ means any item (including overheads and labour) incorporated in the calculation of the price for the performance of services; but does not include the cost of any goods accompanying the performance of those services.”

**4. Control of prices**—The principal regulations are hereby amended by revoking regulation 4, and substituting the following regulation:

“4. (1) Except as provided in or pursuant to these regulations, the maximum price at which any goods or services may be sold or offered for sale by any trader shall be,—

“(a) In the case of goods (whether or not accompanied by the performance of services), the normal price at which goods of the same kind were last sold by that trader in similar quantities and under similar conditions of sale before the 18th day of July 1984:

“(b) In the case of the performance of services (whether or not accompanied by the supply of goods), the normal price at which services of the same kind were last sold by that trader under similar conditions of sale before the 18th day of July 1984:

“(c) In the case of any component item incorporated in the price of services sold by that trader, the rate last charged before the 18th day of July 1984 in respect of that item in calculating the price for the performance of those services.

“(2) Subject to regulations 5, 5A, 6, 7, 7A, 9, 10, 12, 13, 14, 17, and 23 of these regulations, this regulation shall apply notwithstanding anything to the contrary in any price order, special approval, decision, or any other act of authority fixing, approving, or lawfully determining the prices of any goods or services made, given, or done before, on, or after the 17th day of July 1984.

“(3) Subject to regulations 5, 5A, 6, 7, 7A, 9, 10, 12, 13, 14, 17, and 23 of these regulations, this regulation shall apply notwithstanding anything in any provision in any agreement of sale and purchase of any goods or services entered into before the date of the commencement of these regulations, under which an amount, in addition to the price at which goods or services were sold before that date, is to be paid to the seller or supplier upon any increase in cost to him or upon the happening of any other event or contingency.”

**5. Approval given on or before 17 July 1984**—Regulation 5 (1) of the principal regulations is hereby amended by revoking paragraph (b), and substituting the following paragraph:

“(b) An increase in the price of any goods sold or services performed by any trader was—

“(i) Approved or authorised under regulation 7 or regulation 10 or regulation 11 or regulation 12 of the Economic Stabilisation (Prices) Regulations 1983<sup>\*</sup>; or

“(ii) In the case of a trader to whom regulation 6 of the Economic Stabilisation (Prices) Regulations 1983\* applied, was lawful in terms of regulation 7 of those regulations.”

**6. Recovery of increased costs of motor spirits or automotive diesel oil or fuel oil by manufacturers or by suppliers of services**—The principal regulations are hereby amended by inserting, after regulation 5, the following regulation:

“5A. Notwithstanding anything in regulation 4 of these regulations, where any increase in the cost of motor spirits (as defined in section 2 of the Motor Spirits (Regulation of Prices) Act 1933) or of automotive diesel oil or of fuel oil takes place after the commencement of these regulations, any manufacturer or supplier of services who, in the manufacture of his goods or the performance of his services, incurs the increased cost may increase the maximum price under these regulations of those goods or services to the extent necessary to recover the amount of the increased cost incurred by him.”

**7. Finished imported goods sold by importers, wholesalers, or retailers**—Regulation 6 (1) of the principal regulations is hereby amended by omitting the words “commencement of these regulations” wherever they appear, and substituting in each case the words “18th day of July 1984”.

**8. Recovery of imported costs by manufacturers or by suppliers of services**—The principal regulations are hereby amended by revoking regulation 7, and substituting the following regulation:

“7. Notwithstanding anything in regulation 4 of these regulations, where any manufacturer or any supplier of services,—

“(a) At any time after the commencement of these regulations,—

“(i) Imports goods; or

“(ii) Pays for goods imported by him; or

“(iii) Purchases imported goods without change in their form,—  
for use in the manufacture of goods or the performance of services; and

“(b) The landed cost in New Zealand currency of those goods to him or the price at which he purchases those imported goods is higher than the last landed cost incurred by him in respect of goods of that kind or the price last paid by him for goods of that kind; and

“(c) Those imported goods at the higher landed cost or the higher price are used in the manufacture of his goods or the performance of his services,—

he may increase the maximum price under these regulations of those goods or services to the extent necessary and for such period as is necessary to recover the increased landed cost or the increased price of the imported goods.”

**9. Recovery of duties and taxes under Customs Acts**—The principal regulations are hereby amended by inserting, after regulation 7, the following regulation:

“7A. Nothing in these regulations shall prevent the recovery in the prices of goods or services of the monetary amount of any duties or taxes payable under or pursuant to any of the Customs Acts.”

**10. Recovery by wholesalers, retailers, or other traders of increased prices**—Regulation 10 of the principal regulations is hereby amended by omitting from subclause (1), and also from subclause (2), the expression “regulations 5, 6, 7, and 9”, and substituting in each case the expression “regulations 5, 5A, 6, 7, 7A, and 9”.

**11. Exemptions**—Regulation 17 of the principal regulations is hereby amended by inserting, after subclause (10), the following subclause:

“(10A) Except as provided in regulation 5A of these regulations, nothing in these regulations applies with respect to—

“(a) Motor spirits (as defined in section 2 of the Motor Spirits (Regulation of Prices) Act 1933); or

“(b) Automotive diesel oil; or

“(c) Fuel oil.”

**12. Restrictions on effective date of authorised price increases**—Regulation 23 (4) of the principal regulations is hereby amended by omitting the expression “regulations 5, 6, 7, and 9”, and substituting the expression “regulations 5, 5A, 6, 7, 7A, 9, and 10”.

P. G. MILLEN,  
Clerk of the Executive Council.

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#### EXPLANATORY NOTE

*This note is not part of the regulations, but is intended to indicate their general effect.*

These regulations, which come into force on 7 August 1984, effect a number of amendments to the price freeze.

The most significant of these amendments are as follows:

- (a) The price freeze is not to apply in respect of the prices of motor spirits, automotive diesel oil, or fuel oil. These prices are fixed by other regulations.
- (b) If the prices of motor spirits, automotive diesel oil, or fuel oil are increased, the new regulation 5A (as inserted by regulation 6) provides for the passing on of the increased prices by manufacturers and by suppliers of services.
- (c) The new regulation 7A (as inserted by regulation 9) provides that nothing in the principal regulations shall prevent the recovery in the prices of goods or services of the monetary amount of any duties or taxes payable under or pursuant to any of the Customs Acts.

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Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 7 August 1984.

These regulations are administered in the Department of Trade and Industry.